

FACTS ON FILE



WORLD NEWS DIGEST WITH INDEX

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WORLD AFFAIRS

East-West Relations

Kennedy-Khrushchev Exchange. The first exchange of messages between the Soviet government and the incoming Administration of Pres. John F. Kennedy took place immediately after Mr. Kennedy's inauguration.

The exchange, carried out in notes between Soviet Premier Khrushchev and Mr. Kennedy and in Moscow diplomatic conversations, expressed both nations' desire for a fresh attempt at negotiations on East-West problems.

The first message, congratulating Mr. Kennedy on his inauguration, was cabled Jan. 20 by Khrushchev and Soviet Pres. Brezhnev. It expressed the hope "that by joint efforts we shall be able to attain a radical improvement of relations between our countries." It said Soviet leaders were confident that, "moving step by step, it is possible to remove the existing suspicion and mistrust" between the U.S. and USSR. It pledged that the USSR would "support any good initiatives in this direction . . . for a lasting peace."

Mr. Kennedy, replying Jan. 21, welcomed the Soviet leaders' professions of peace as "a hope which we share." He declared: "We are ready and anxious to cooperate with all who are prepared to join in genuine dedication to the assurance of a peaceful and more fruitful life for all mankind."

Khrushchev summoned U.S. Amb.-to-USSR Llewellyn E. Thompson Jr. to the Kremlin Jan. 21 for an unusual 2-hour meeting presumed to center on a resumption of U.S.-Soviet contacts and the USSR's hope for an early Kennedy-Khrushchev meeting.

The substance of the Khrushchev-Thompson meeting was cabled to Washington Jan. 21 and was discussed at White House meetings held by Mr. Kennedy Jan. 22-23 with State Secy. Dean Rusk, State Undersecy. Chester Bowles, Defense Secy. Robert S. McNamara and Gen. Lyman L. Lemnitzer, Joint Chief of staff chairman.

A statement issued Jan. 23 by Rusk emphasized the new Administration's intention to rely on traditional diplomatic contacts rather than on public meetings of heads of government. It

stressed that "the value of the diplomatic channel depends on its privacy" despite the public's right "to adequately be informed on the conduct of foreign affairs."

(British Prime Min. Macmillan said in a speech to Parliament Jan. 24 that he no longer considered an East-West summit meeting an urgent necessity in view of current conditions.)

'Ike' Regrets Peace Failure. Pres. Eisenhower said at his farewell news conference Jan. 18 that his greatest disappointment in office had been "the fact that we could not in these 8 years get to . . . where we could say it now looks as if permanent peace with justice is in sight."

Mr. Eisenhower said, however, that he drew consolation from the fact that the U.S., during his Administration, had been able to avoid a large-scale war despite the fighting in Korea and the USSR's acquisition of the hydrogen bomb. He asserted that his administration had shown "the kind of understanding and firmness and readiness to take the risk that prevent those things [general war] from happening." He said he was "perfectly sure that . . . a display of weakness . . . would have allowed them to spread this [Korean] war, to the great and disastrous consequences of all . . ."

Asked what he thought was the greatest single problem confronting his successor, Mr. Eisenhower replied: "the intransigent, unreasonable attitude of the Communist bloc" and the need "to keep ourselves strong and firm and yet conciliatory in trying to meet . . . this terrible problem that is none of our making."

Referring to a Jan. 6 speech in which Khrushchev had hailed the USSR's role as the supporter of national liberation movements, Mr. Eisenhower declared that "what he calls wars of liberation . . . are revolts of Communist elements to overturn constituted governments in authority." Mr. Eisenhower said the U.S.' support for such movements was carried out "within the limits of the United Nations Charter."

Chatting with newsmen Jan. 24 at the Blue Springs, Ga. estate of Chrmn. W. Alton Jones of Cities Service Corp., Mr. Eisenhower said he thought that the USSR's current professions of peace were insincere and that it would be "infantile" to accept them until they were accompanied by deeds.

Herter's Views. State Secy. Herter presented what was described as a gloomy review of the current world situation Jan. 6 in an appearance before the Senate Foreign Relations Committee. After the closed session these views of Herter's were transmitted to newsmen by Sen. J. W. Ful-

Week In Headlines

INTERNATIONAL

Pres. Kennedy, Premier Khrushchev pledged efforts for peace in first exchange of notes after Kennedy inauguration.

Pres. Eisenhower expressed regret at disarmament failure in farewell news conference.

Khrushchev views made public on 'national liberation' wars.

West presented Laos peace plan to USSR; Laotian rebels advanced.

UNITED STATES

John F. Kennedy inaugurated as 35th U.S. President, cabinet sworn in; inaugural address text.

Eisenhower Administration took final actions, left office.

Negro students readmitted to U. of Georgia by U.S. court order.



bright (D., Ark.), committee chairman:

On Laos—The U.S. was prepared to accept reconstitution of the International Control Commission for Laos because the Boun Oum regime had been confirmed in office by the Laotian king and Parliament; the U.S. was not "trigger happy" over Laos despite the apparent weakness of the Boun Oum government.

On Berlin—The USSR could be expected to press for new negotiations over Berlin and to renew its pressure on the city to force an agreement on Soviet terms.

On Cuba—The U.S. had no choice but to break diplomatic relations after the imposition of restrictions on the U.S. Embassy in Havana.

Wadsworth's Views. U.S. Amb.-to-UN James J. Wadsworth said at a farewell news conference at UN headquarters Jan. 17 that he believed "by and large that the Russian government has every intention of living up to any agreement they may make from the standpoint of nuclear tests or the larger areas of disarmament." He said that there was no evidence to support charges that the Russians were conducting clandestine nuclear tests and that he did not think they were. He warned that "the possibilities [of war] are so frightful that we have to get moving again" on disarmament.

Khrushchev on Liberation Wars. Soviet views on the need to promote revolutionary struggles against colonial and reactionary regimes without provoking world nuclear war were outlined in a speech delivered by Khrushchev Jan. 6 and published Jan. 18 by the Soviet CP theoretical journal *Kommunist*.

Khrushchev, addressing a Kremlin meeting of members of the Higher Party School, the Academy of Social Sciences and the Marxism-Leninism Institute, outlined these Soviet policies on war and revolution:

● The USSR would work to prevent the outbreak of general nuclear war

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because it would result in the deaths of hundreds of millions and in unprecedented destruction. It was opposed to "local wars" of the Suez or Indochina variety because they could develop into general nuclear conflict.

● "Liberation wars" such as those under way in Algeria and Cuba were "sacred" and would go on "as long as imperialism exists, as long as colonialism exists." "These uprisings are directed against decayed reactionary regimes, against the colonialists. Communists support such wars fully and without reservation and march in the van of the people fighting for liberation."

● "In present conditions, wars are most probable not between capitalist and imperialist countries, although such an eventuality should not be discounted. The imperialists are preparing war chiefly against the Socialist countries . . . [and] the Soviet Union."

● Such a war can be avoided by adherence to peaceful coexistence and by disarmament. The USSR's disarmament proposals were genuine and "not a tactical move." "We sincerely want disarmament" because it would help to prevent war and would aid "the fight against imperialism."

● The Dec. 6, 1960 Moscow manifesto issued by 81 Communist parties had "set our watches so that our mighty armies will keep in step and march confidently toward" a Communist world. This goal could be achieved best not by force but by communism's victory in an "intense economic, political and ideological struggle" carried out within the limits of peaceful coexistence. [See Vol. XX, p. 433B1-438 A1]

Red Chinese Views. A declaration published Jan. 21 by the Chinese Communist Party Central Committee at the end of a plenary meeting in Peiping accepted Soviet views that war was not inevitable. It labeled the U.S. the "main enemy of the peoples of the whole world."

The Chinese declaration affirmed that "a new world war can be prevented by the joint efforts of the powerful forces of our era—the Socialist camp, the . . . working class, the national liberation movement. . . ." It reiterated its acceptance of the Soviet thesis that "revolution is the affair of the peoples in various countries" and that Communists opposed "the export of revolution." It said, however, that "they also oppose the imperialist export of counter-revolution" and "imperialist interference in the internal affairs of people . . . who have risen in revolution."

Premier Chou En-Lai, in an interview given U.S. newsman Edgar Snow in 1960 (copyrighted by Snow, published in the Jan. 31 issue of *Look*), conceded that the USSR and Communist China differed on many matters but not in their views on foreign policy, especially on the non-inevitability of war. Chou said China supported Russia's proposals for general disarmament and peaceful coexistence and would work to implement them despite its exclusion from the UN. He said, however, that China would

not be bound by any disarmament agreement reached without its participation. He expressed the belief that a U.S.-Chinese settlement would be achieved, but not before U.S. troops were withdrawn from Formosa and the U.S. accepted Communist Chinese views that Formosa was a domestic Chinese problem.

(Amb.-designate W. Averell Harriman, in an interview broadcast Jan. 15 by WOR [N.Y.], asserted that Red China apparently did not want improved relations with the U.S. but that Americans would have to accept the fact that "sooner or later the majority of the UN members are going to . . . admit Red China.")

(Delegates to a 2d Conference to Plan a Strategy for Peace, held at Columbia University's Arden House in Harriman, N.Y., asserted Jan. 15 that world stability would be enhanced if Communist China was "drawn into fuller participation in the international community" through normal diplomatic relations with all countries, including the U.S., and through membership in the UN.) [See Vol. XX, p. 422E3]

USSR Protests Sea Incidents. A Soviet note protested Jan. 14 that U.S. ships and aircraft had carried out "provocative" actions against Soviet ships in international waters. The USSR charged specifically that U.S. Navy vessels had tried to halt the Soviet tanker *Sverdlovsk* in the Caribbean Jan. 13 and that U.S. military planes had "buzzed" Soviet vessels elsewhere. The Soviet charges were rejected as untrue by the U.S. Jan. 19.

Soviet Merchant Marine Min. Viktor G. Bakayev had charged at a Moscow news conference Jan. 12 that planes of the U.S. and other NATO nations were harrassing Soviet shipping. He said that U.S. planes had buzzed 35 Soviet ships in Dec. 1960 and that 200 such incidents had occurred in the last 5 months of 1960. He said that the tanker *Sergei Kirov* had radioed that it was being buzzed by an RAF plane in the Red Sea immediately before the news conference. [See Vol. XX, pp. 410B3, 286E2]

Algeria

Peace Talks Sought. Statements issued Jan. 16-18 by the rebel Algerian Provisional Government and by the French government affirmed that both sides were prepared to reopen negotiations toward a settlement of the Algerian rebellion.

A rebel communiqué published in Tunis Jan. 16 declared that "the provisional government of the Algerian Republic is ready . . . to enter into negotiations with the French government on the conditions for a free consultation [self-determination referendum] of the Algerian people." It warned, however, that Pres. de Gaulle's plans to "impose a granted statute" on Algeria as a result of the recent referendum would only "prolong the war" unless the "transitional institutions" were made subject to the French-rebel negotiations.

The French cabinet declared Jan. 18 that Algerian developments had become "more favorable to the eventual-

ity of peaceful contacts" between the opposing sides. It pledged that French policies would aim at "the establishment of conditions that will permit, when the time comes, the self-determination of the Algerian peoples."

A 2d rebel declaration, issued Jan. 24, reiterated warnings that a ceasefire was not possible until France had given political guarantees of its pledges of Algerian self-determination.

(8 persons were killed and 27 injured Jan. 20 in the explosion of 2 bombs in Tizi-Ouzou, 50 miles east of Algiers. 7 persons, among them a French chaplain and 4 nurses [3 Moslems], were slain in a rebel ambush of a French military convoy near Algiers Jan. 19.)

A joint declaration published in Paris Jan. 19 by non-Communist leftist groups called for a "loyal negotiated peace" in Algeria that would not require the capitulation of either the rebels or the French but would assure Algerian self-determination. Signing groups included the Socialist and Catholic labor federations, the Socialist and Radical Parties, and students, veterans and farmers organizations. [See Vol. XX, p. 370C3]

De Gaulle Lauds Vote. In his first public comment on the outcome of the referendum, de Gaulle declared Jan. 11 that the voting would compel him to implement his Algerian policy "without reserve in its spirit as in its letter." De Gaulle's statement, read to newsmen by Information Min. Louis Terrenoire, termed the referendum a "positive and massive . . . response" to his appeals for popular support.

Final referendum returns issued Jan. 14 by the French Constitutional Council gave the following totals for France, Algeria, the Sahara and overseas departments and territories: 32,520,233 eligible voters, 23,986,913 ballots cast (23,265,444 valid, 721,469 spoiled ballots), 17,447,669 "yes" votes, 5,817,775 "no" votes, 8,533,320 abstentions.

In a letter to Gen. Jean Crépin, French commander in Algeria (made public Jan. 13), de Gaulle expressed his personal satisfaction with the "exemplary" behavior of the French Army during the referendum in Algeria. [See p. 3B1]

Laos

Western Peace Plan. Proposals for ending the Laotian civil war by reactivating the International Control Commission for Laos were presented to the Soviet government Jan. 21 by British Amb. Sir Frank Roberts.

The Western plan was sponsored by Britain, one of the co-chairman of the 1954 Geneva conference that ended the Indochina war, but was worked out in concert with other Western countries and India and reportedly was indorsed by the incoming U.S. Administration of Pres. John F. Kennedy. The plan was presented to the USSR in view of its role as the other co-chairman of the 1954 Geneva conference.

The Western proposals were transmitted to the USSR in the form of a British reply to a Dec. 22, 1960 Soviet note urging the convening of a new Laotian peace conference similar in composition to the 1954 Geneva meet-

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ing. The West, seeking to bypass Soviet insistence that the deposed regime of Prince Souvanna Phouma was Laos' legal government, proposed that the revived International Control Commission deal directly with King Savang Vathana rather than with Prince Boun Oum's rightist regime.

(The commission, set up under the 1954 Geneva armistice agreement, was composed of India, Poland and Canada. It was barred by the Laotian government and suspended its work in 1958.) [See Vol. XVIII, p. 270A1]

In a note delivered to Cambodia Jan. 18, U.S. Pres. Eisenhower had noted its suggestions for a 14-nation conference on Laos but had made clear the U.S.' preference for settlement of the civil war by the commission.

Indian Prime Min. Jawaharlal Nehru warned Jan. 18 that India, chairman of the commission, could reconvene the body only if requested to do so by both Geneva conference co-chairmen, Britain and the USSR.

Government Forces Halted. It was reported from Vientiane Jan. 17-21 that government forces had been halted in efforts to counterattack against rebels dominating the Xiengkhouang and Plaine des Jarres areas of central and northern Laos.

The London Times reported Jan. 17 that Kong Le's rebel paratroops were advancing on Tatong, forward position of a government column attempting to march on Xiengkhouang from Paksane. Government forces were reported Jan. 21 to have recaptured Tha Thom, 40 miles southwest of Xiengkhouang, after fighting that scattered government forces assembling for the planned attack on the Plaine des Jarres. Kong Le's forces, retreating from Vang Vieng, were reported Jan. 20 to have driven between government troops attempting to link up between Vientiane and Luang Prabang.

2 of the 4 armed U.S. training planes supplied Laos were shot down in attacks on rebel positions Jan. 18 and 22. 2 more U.S. planes were delivered to Laos Jan. 20. (It was reported Jan. 22 that Brig. Gen. Andrew J. Boyle, 49, had replaced Brig. Gen. John A. Heintges as head of a clandestine U.S. military training mission in Laos.) [See p. 4F1]

Souvanna Blames U.S. Interviewed in exile in Phompenh, Cambodia, ex-Premier Souvanna charged Jan. 19 that the U.S. had betrayed his neutralist government and was responsible for the Laotian civil war.

Souvanna told the N.Y. Times that Assistant State Secy. (Far Eastern Affairs) J. Graham Parsons was "the ignominious architect of disastrous American policy toward Laos." He said Parsons and other U.S. officials were "directly responsible for the recent spilling of Lao blood." He charged that the U.S. (1) had sabotaged all efforts to form a Laotian government representing the factions currently engaged in civil war, (2) had forced Laos to adopt a pro-Western policy that had provoked Communist rebellion and the overthrow of his government by the Boun Oum regime, "a group of clowns."

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NATIONAL AFFAIRS

The Inauguration

Kennedy Takes Office. John Fitzgerald Kennedy, 43, was inaugurated as 35th President of the U.S. at 12:51 p.m. Jan. 20 in ceremonies in Washington in front of the newly renovated East Front of the Capitol. Chief Justice Earl Warren administered the oath of office while Mr. Kennedy held his hand on a closed Kennedy family Bible, a Douay version.

Lyndon Baines Johnson, 52, had been sworn in by House Speaker Sam Rayburn as Vice President 10 minutes earlier. (It was the first time a House Speaker had administered the oath to a Vice President.)



John F. Kennedy being sworn in as President Jan. 20 by Chief Justice Earl Warren. On-lookers in this Wide World photo: Left—Mrs. Kennedy and outgoing Pres. Dwight D. Eisenhower. Right—Vice Pres. Lyndon B. Johnson and outgoing Vice Pres. Richard M. Nixon. Center—James Browning, Supreme Court clerk.

President Kennedy's Inaugural Address

(Complete Text)

Vice President Johnson, Mr. Speaker, Mr. Chief Justice, President Eisenhower, Vice President Nixon, President Truman, Reverend Clergy, fellow citizens:

We observe today not a victory of party but a celebration of freedom—symbolizing an end as well as a beginning—signifying renewal as well as change. For I have sworn before you and Almighty God the same solemn oath our forebears prescribed nearly a century and three-quarters ago.

The world is very different now. For man holds in his mortal hands the power to abolish all forms of human poverty and all forms of human life. And yet the same revolutionary beliefs for which our forebears fought are still at issue around the globe—the belief that the rights of man come not from the generosity of the state but from the hand of God.

We dare not forget today that we are the heirs of that first revolution. Let the word go forth from this time and place, to friend and foe alike, that the torch has been passed to a new generation of Americans—born in this century, tempered by war, disciplined by a hard and bitter peace, proud of our ancient heritage—and unwilling to witness or permit the slow undoing of those human rights to which this nation has always been committed, and to which we are committed today at home and around the world.

Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty.

This much we pledge—and more.

To those old allies whose cultural and spiritual origins we share, we pledge the loyalty of faithful friends. United, there is little we cannot do in a host of new cooperative ventures. Divided, there is little we can do—for we dare not meet a powerful challenge at odds and split asunder.

To those new states whom we welcome to the ranks of the free, we pledge our word that one form of colonial control shall not have passed away merely to be replaced by a far more iron tyranny. We shall not always expect to find them supporting our view. But we shall always hope to find them strongly supporting their own freedom—and to remember that, in the past, those who foolishly sought power by riding the back of the tiger ended up inside.

To those peoples in the huts and villages of half the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves, for whatever period is required—not because the Communists may be doing it, not because we seek their votes, but because it is right. If a free society cannot help the many who are poor, it cannot save the few who are rich.

To our sister republics south of our border, we offer a special pledge—to convert our good words into good deeds—in a new alliance for progress—to assist free men and free governments in casting off the chains of poverty. But this peaceful revolution of hope cannot become the prey of hostile powers. Let all our neighbors know that we shall join with them to oppose aggression or subversion anywhere in the Americas. And let every other power know that this hemisphere intends to remain the master of its own house.

To that world assembly of sovereign states, the United Nations, our last best hope in an age where the instruments of war have far outpaced the instruments of peace, we renew our pledge of support—to prevent it from becoming merely a forum for invective—to strengthen its shield of the new and the weak—and to enlarge the area in which its writ may run.

Finally, to those nations who would make themselves our adversary, we offer not a pledge but a request: that both sides begin anew the quest for peace, before the dark powers of destruction unleashed by science engulf all humanity in planned or accidental self-destruction.

We dare not tempt them with weakness. For only when our arms are sufficient beyond doubt can we be certain beyond doubt that they will never be employed.

But neither can two great and powerful groups of nations take comfort from our present course—both sides overburdened by the cost of modern weapons, both rightly alarmed by the steady spread of the deadly atom, yet both racing to alter that uncertain balance of terror that stays the hand of mankind's final war.

So let us begin anew—remembering on both sides that civility is not a sign of weakness, and sincerity is always subject to proof. Let us never negotiate out of fear. But let us never fear to negotiate.

Let both sides explore what problems unite us instead of belaboring those problems which divide us.

Let both sides, for the first time, formulate serious and precise proposals for the inspection and control of arms—and bring the absolute power to destroy other nations under the absolute control of all nations.

Let both sides seek to invoke the wonders of science instead of its terrors. Together let us explore the stars, conquer the deserts, eradicate disease, tap the ocean depths and encourage the arts and commerce.

Let both sides unite to heed in all corners of the earth the command of Isaiah—to “undo the heavy burdens . . . [and] let the oppressed go free.”

And if a beachhead of cooperation may push back the jungles of suspicion, let both sides join in the next task: creating not a new balance of power, but a new world of law, where the strong are just and the weak secure and the peace preserved.

All this will not be finished in the first 100 days. Nor will it be finished in the first 1,000 days, nor in the life of this Administration, nor even perhaps in our lifetime on this planet. But let us begin.

In your hands, my fellow citizens, more than mine, will rest the final success or failure of our course. Since this country was founded, each generation of America has been summoned to give testimony to its national loyalty. The graves of young Americans who answered the call to service surround the globe.

Now the trumpet summons us again—not as a call to bear arms, though arms we need—not as a call to battle, though embattled we are—but a call to bear the burden of a long twilight struggle year in and year out, “rejoicing in hope, patient in tribulation”—a struggle against the common enemies of man: tyranny, poverty, disease and war itself.

Can we forge against these enemies a grand and global alliance, north and south, east and west, that can assure a more fruitful life for all mankind? Will you join in that historic effort?

In the long history of the world, only a few generations have been granted the role of defending freedom in its hour of maximum danger. I do not shrink from this responsibility—I welcome it. I do not believe that any of us would exchange places with any other people or any other generation. The energy, the faith, the devotion which we bring to this endeavor will light our country and all who serve it—and the glow from that fire can truly light the world.

And so, my fellow Americans: ask not what your country can do for you—ask what you can do for your country.

My fellow citizens of the world: ask not what America will do for you, but what together we can do for the freedom of man.

Finally, whether you are citizens of America or citizens of the world, ask of us here the same high standards of strength and sacrifice which we ask of you. With a good conscience our only sure reward, with history the final judge of our deeds, let us go forth to lead the land we love, asking His blessing and His help, but knowing that here on earth God's work must truly be our own.

The Incoming President

Cabinet Assumes Office. Pres. Kennedy Jan. 20 formally nominated the 10 members of his cabinet plus Adlai E. Stevenson as chief delegate to the UN. They were confirmed by the Senate Jan. 21 and sworn into office 2 hours later in the East Room of the White House by Chief Justice Earl Warren. Senate hearings on the nominations had been held prior to the

inauguration to speed the change-over.

Unanimous voice votes were given by the Senate to all but one of the confirmations. Sen. Gordon Allott (R., Colo.) voted against the President's appointment of his brother Robert as Attorney General because, Allott said, Kennedy did not have “the legal experience to qualify him.”

Sen. Bourke B. Hickenlooper (R., Ia.) spoke critically against Steven-

son's appointment, and Sen. Styles Bridges (R., N.H.) said he had “deep reservations” about some of Kennedy's cabinet and subcabinet appointments, but both voted for the confirmations.

The new cabinet: Dean Rusk, 51, State Secretary; Robert S. McNamara, 44, Defense Secretary; Douglas Dillon, 51, Treasury Secretary; J. Edward Day, 46, Postmaster General; Stewart L. Udall, 40, Interior Secretary; Orville L. Freeman, 42, Agriculture Secretary; Luther H. Hodges, 62, Commerce Secretary; Arthur J. Goldberg, 52, Labor Secretary; Abraham A. Ribicoff, 50, Secretary of Health, Education and Welfare; Robert F. Kennedy, 35, Attorney General. [See Vol. XIII, p. 21E-F]

Among developments at the Senate confirmation hearings:

The Senate Armed Services Committee Jan. 18 ordered McNamara to promise in writing, prior to his confirmation, that neither he nor his \$1,100,000 trust fund (established with proceeds of the sale of his Ford Motor stock) would own defense stocks during his tenure as Defense Secretary. McNamara, complying, also notified the committee Jan. 21 that he would receive from Ford \$618,750 in supplemental salary payments in 6 years and that he was entitled to a \$1,315-a-month pension at 65. [See Vol. XX, p. 448B-C3]

Dillon told the Senate Finance Committee Jan. 11 that he believed “there will be a deficit in the [fiscal] year 1962.” He said he did not think budget deficits were harmful when the economy was in a decline if the deficits were more than made up for by budget surpluses when the economy was prospering. He said that the prospect of tax revision was currently “more propitious” “than it would be a year from now” and that he had “no present intention” of recommending a tax cut if a cut would create a budget deficit. Dillon told the committee Jan. 13 that he thought “long-term tax reduction” would have to be postponed until prosperous times. [See Vol. XX, p. 457A-C1]

Dean Rusk told the Senate Foreign Relations Committee Jan. 12 that the U.S. “must act fast to help” the new African states “demonstrate to their own people that independence can lead promptly to economic and social developments.” He said the U.S. could provide technical help to the underdeveloped nations and training for the African leaders. Concerning neutralism, Rusk said he did not “believe that we should insist that anyone who . . . [was] not with us . . . [was] against us.” As for the Chinese Communists, he said: the Communist force on the mainland was a fact “which we cannot ignore”; it would be difficult to make progress on disarmament without taking Communist China into account; he saw no prospect currently of establishing “normal relations” with Peiping. [See Vol. XX, p. 448E2-B3]

Adlai E. Stevenson told the Senate Foreign Relations Committee Jan. 18 that the U.S. “would have to face the possibility” that Communist China eventually would be admitted to the UN. He said it would be “highly optimistic” to expect any significant

change in Chinese Communist behavior after its admission. Stevenson said the UN was not "merely a desperate survival operation." He said the forum it provided should not be used "just in defensive reaction to Soviet initiatives but affirmatively to advance its great purposes. . . ." (Stevenson assumed his new post Jan. 23.) [See Vol. XX, p. 448E-G1]

Other Appointments. Mr. Kennedy announced Jan. 16 his designation of Dr. Glenn T. Seaborg, 48, California University chancellor, to be Atomic Energy Commission chairman. Seaborg, a Democrat, son of a Swedish immigrant, had won the 1951 Nobel Prize for chemistry. He had been a member of the AEC's general advisory committee 1946-1950. [See Vol. XX, p. 411C1]

Mr. Kennedy Jan. 14 designated Elvis J. Stahr Jr., 44, West Virginia University president, to be Army Secretary. Stahr, a former Rhodes Scholar, was a Phi Beta Kappa graduate of the University of Kentucky with a West Virginia Wesleyan law degree. He had been an Army combat liaison officer in World War II and served in North Africa, India and China. He was director of Pres. Eisenhower's Commission on Education Beyond High School 1956-57 and was Pittsburgh University vice chancellor 1957-59.

The designation of George W. Ball, 51, as State Undersecretary for Economic Affairs, was announced Jan. 11. Ball, of Des Moines, was a lawyer for the Treasury Department in 1932; he served in the lend-lease and Foreign Economic administrations during World War II.

Mr. Kennedy Jan. 7 designated W. Willard Wirtz, 49, law associate of Adlai E. Stevenson, as Labor Undersecretary. Wirtz had been general counsel of the Economic Warfare and War Labor boards during World War II.

Mr. Kennedy Jan. 7 designated as Assistant Labor Secretaries: James J. Reynolds of Schenectady, N.Y. NLRB member 1946-52 and specialist in industrial relations; Jerry R. Holleman, an electrician and former executive secretary of the Texas State Labor Federation.

Mr. Kennedy Jan. 12 designated: Edward Gudeman, 50, of Chicago, a general partner in the Lehman Bros. investment banking firm, to be Commerce Undersecretary; California Water Commission Chrmn. James K. Carr, 46, as Interior Undersecretary; Kenneth Holm, 45, of Madison, S.D., an REA leader, to be Assistant Interior Secretary for Water and Power; John A. Carver Jr., 42, of Boise, Ida, as Assistant Interior Secretary for Land Resources.

Designations announced Jan. 13 included Thomas D. Morris, 47, of the Budget Bureau as Assistant Defense Secretary for Supply and Logistics; Joseph Charyk, 40, to continue as Air Force Undersecretary; Lyle S. Garlock, 54, to continue as Assistant Air Force Secretary for Financial Management; James H. Wakelin, 49, to continue as Assistant Navy Secretary for Research and Development.

Robert J. Burckhardt Jr., national chairman of the Kennedy Presidential campaign's voter registration drive, was designated Jan. 14 to be Assistant Postmaster General for Facilities.

Mr. Kennedy Jan. 15 designated ex-Rep. James M. Quigley (D., Pa.), 42, as Assistant Health-Education-Welfare Secretary for Federal and State Matters; Wilbur Cohen, 47, a Michigan University professor, as Assistant HEW Secretary for Legislative Matters.

Jan. 16 designations included John M. Leddy, 46, a federal employee since 1934, as Assistant Treasury Secretary; Frederick C. Belen, 47, staff director of the House Post Office and Civil Service Committee, as Assistant Postmaster General for Operations; Ralph W. Nicholson, 44, of New York as Assistant Postmaster General for Finance.

William H. Orrick Jr., 35, of San Francisco was designated Jan. 18 to be Assistant Attorney General in charge of the Civil Division.

Roger W. Tubby, 51, editor-publisher of the Adirondack Daily Enterprise (Saranac Lake, N.Y.), who had been a Truman press secretary, was designated Jan. 19 to be Assistant State Secretary for Public Affairs.

Mr. Kennedy Jan. 21 nominated: Charles S. Murphy, 51, as Agriculture Undersecretary; Dr. Frank J. Welch, 58, Kentucky University dean of agriculture, as Assistant Agriculture Secretary for Federal-State Relations; John Duncan Jr., 43, Georgia Farm Bureau president, as Assistant Agriculture Secretary for Marketing and Foreign Agriculture; James Ralph, 38, director of the California Agriculture Department, as Assistant Agriculture Secretary for Agricultural Stabilization.

Mr. Kennedy's Jan. 22 nominations included: Paul Burgess Fay Jr., San Francisco Republican who had been in Kennedy's PT boat squadron during World War II, as Navy Undersecretary; Hickman Price Jr., 49, and Rowland Burnstan as Assistant Commerce Secretaries.

Dr. Luther L. Terry, assistant director of the National Heart Institute, was designated Jan. 15 to be U.S. Surgeon General. Terry had been on the Johns Hopkins Medical School faculty since 1944.

Mr. Kennedy Jan. 19 designated Najeeb E. Halaby, 45, chief technical adviser to the AF on its missile and space program, to be head of the Federal Aviation Agency. Halaby, a pilot since 1933, had been Deputy Assistant Defense Secretary 1948-1954, and was an Aerospace Corp. officer.

Pres. Kennedy Jan. 23 designated Frank Burton Ellis, 53, of New Orleans to be director of the Office of Civil Defense and Mobilization. Ellis had been a Louisiana State Senator 1940-44 and had directed successful Democratic state Presidential campaigns in 1952 and 1960.

Other Kennedy designations and nominations: Jan. 7—Esther Peterson of Washington as Women's Bureau director and assistant to the Labor Secretary; Charles Donahue of Maine as Labor Department solicitor; 3 Presidential assistants: Timothy J. Reardon, 45, Ralph A. Dungan, 47, and Frederick G. Dutton.

Jan. 11—Dr. Roger Hilsman Jr. of the Library of Congress as the State Department's director of intelligence and research.

Jan. 12—Floyd E. Dominy, 51, to continue as Reclamation Bureau Commissioner in the Interior Department; Francis J. Barry, 47, of Tucson, Ariz. as Interior Department solicitor.

Jan. 13—John S. Gleeson Jr., American Legion national commander 1957-58 and treasurer of the 1952 Democratic National Convention, to be Veterans Administrator.

Jan. 14—Ex-Gov. George Docking (D., Kan.) as an Export-Import Bank director; ex-Gov. Herschel Loveless (D., Iowa) as a member of the Renegotiation Board.

Jan. 15—Alanson W. Wilcox, 59, a Harvard Law School graduate, as HEW Department general counsel.

Jan. 16—Michael Monroney, 33, of Bethesda, Md., son of Sen. A. S. Mike Monroney (D., Okla.), as the Postmaster General's executive assistant.

Jan. 17—John E. Horne, ex-Deputy Administrator of the Small Defense Plants Administration, as Small Business Administrator. (The Defense Department announced Jan. 17 the appointment of Asst. Treasury Secy. Nils A. Lennartson, 45, as Deputy Assistant Defense Secretary for Public Affairs.)

Jan. 18—Richard N. Goodwin, 29, of Boston as a Presidential special assistant; Brig. Gen. Chester V. Clifton, 47, as Presidential military aide; AF Col. Godfrey T. McHugh as Presidential AF aide.

Jan. 19—Walt Whitman Rostow, MIT economics professor, as deputy to the President's Special Assistant for National Security Affairs; Robert C. Turner of Indiana University as the Budget Bureau's assistant director; Comdr. Tazewell Taylor Shepard Jr. as Presidential naval aide.

Jan. 21—Harry Caldwell, 52, N.C. State Grange master, as National Agricultural Advisory Commission chairman; John A. Baker, 46, as Agricultural Credit Services director; Horace Godfrey, 45, as Commodity Stabilization Service administrator.

Jan. 23—Lester H. Thompson, FHA controller, as acting Federal Housing Commissioner.

Appointments Declined. Georgia Gov. S. Ernest Vandiver announced Jan. 5 that he had asked Mr. Kennedy to withdraw his name from consideration for appointment as Army Secretary. Vandiver had disclosed Jan. 4 Mr. Kennedy had telephoned him that night and asked if he were in-

terested in the post. Vandiver said Mr. Kennedy had denied a published report that Sen. Richard B. Russell (D., Ga.) and Rep. Carl Vinson (D., Ga.) had exerted pressure to get Vandiver appointed.

Liberals reportedly had protested the prospective Vandiver appointment on the ground that he was an outspoken segregationist [See p. 7E-F3]

Dr. James E. Allen Jr., N.Y. State Education Commissioner, disclosed Jan. 10 that he had declined an offer to be U.S. Education Commissioner. [See Vol. XVII, p. 199E2]

Post Denied to Keenan. Mr. Kennedy and Labor Secy.-designate Goldberg met with AFL-CIO Pres. George Meany and 30 labor leaders in Washington Jan. 19 to seek to allay resentment stemming from Defense Secy.-designate McNamara's refusal to designate AFL-CIO Vice Pres. Joseph D. Keenan, 64, as Assistant Defense Secretary for Manpower. Mr. Kennedy had suggested the appointment to McNamara, but he had rejected it. Keenan had not sought the post.

Meany said later that he was still disappointed but did not "want to criticize . . . [Mr. Kennedy] for giving his cabinet a free hand in picking subordinates."

Food to Needy Doubled. Pres. Kennedy, in his first Executive Order, directed Jan. 21 that "a greater variety and quantity" of surplus food be distributed "to all needy families." The order said: "Almost 7 million persons [were] receiving some form of public assistance"; 4½ million workers were unemployed; "a substantial number of needy persons" were "not recipients in the present food distribution program." The White House estimated that the order would "virtually double" the quantity of food given away to the needy.

The Agriculture Department announced Jan. 24 that it was buying pork, dried eggs and dried pea beans to add protein and variety to the food packages for the needy. It said 4 million persons in 42 states were receiving the packages. The increases had been recommended in a task force report on distressed areas.

Estimated cost of the extra food: \$9 million a month. [See p. 6B3]

Ethics Panel Established. Pres. Kennedy Jan. 22 established a 3-man Government Ethics Committee "to conduct a thorough examination of present ethical standards and regulations" in all government agencies. The panel was also (a) "to recommend approaches to strengthen the conflict-of-interest laws" and (b) to "advise the President" on measures to insure that the government maintained "the highest possible standards of ethics."

The committee members: Calvert Magruder, 67, retired chief judge of the U.S. First Appeals Court, chairman; Prof. Jefferson B. Fordham, 55, University of Pennsylvania Law School dean; Prof. Bayless Manning, 37, of Yale Law School. [See Vol. XX, p. 390C-F1]

Latin American 'Workshop.' Mr. Kennedy met with Puerto Rican Gov. Luis Munoz Marin in New York Jan. 18 and then said they had agreed to create in Puerto Rico "a workshop"

"where we in the United States and our neighbors in Latin America may learn more about our mutual problems and the possibilities for the great achievements that we can attain by working together."

Mr. Kennedy likened Puerto Rico to a laboratory where Latin American peoples could "observe the remarkable development of democracy and economic growth by a people who have freely chosen to work out their destiny in close association with the United States." [See Vol. XX, pp. 367G3-368C1]

Transition. In the interests of a smooth transition of power from the Eisenhower to the Kennedy Administrations, Pres.-elect Kennedy Jan. 19 paid his 2d pre-inaugural visit to Pres. Eisenhower in the White House. The 2 men met alone in the President's office and later in the Cabinet Room with the incoming and outgoing Secretaries of State, Treasury and Defense for "a full discussion of the world situation."

(The N.Y. Herald Tribune reported Jan. 8 that the Eisenhower Administration had put on the federal pay roll as of Jan. 3 at least 2 people in every department and 10 each in the State and Defense Departments.) [See Vol. XX, pp. 448F-G3, 398E-F3]

The Outgoing President

Economic Report. Pres. Eisenhower's 8th and final Economic Report to Congress Jan. 18 said that "the economy can now look forward, provided public and private policies . . . [were] favorable, to a period of sound growth from a firm base." Although "the nation's total output of goods and services" was "below the level reached in the 2d quarter of 1960 . . . the difference, in constant prices . . . [was] only slightly more than 1%," the report said. It noted that "final demand for goods and services . . . [had] continued to move upward" at a \$4.6 billion annual rate in 1960's final quarter and had reached "a total of \$507.5 billion."

"A distinctly favorable factor in the economic outlook," the report said, was "the fact that aggregate output" had been "fairly steady despite the large inventory adjustment—from accumulation at the annual rate of \$11.4 billion in the first quarter of 1960 to liquidation at the rate of \$4 billion in the fourth quarter."

It said that there had been "production declines in a wide range of industries" and that "the greatest declines" had been "in those industries affected by inventory changes, which were in part a result of the extended steel strike of 1959."

U.S. output per man-hour was "substantially higher than that of any other industrialized economy" and "tended to increase at a long-term average annual rate of 2% or more," the report said.

Among points made in the report:

Balance of payments.—"Prospects favor a reduction in the over-all balance of payments deficit in 1961" even though some of the favorable factors "may not continue throughout the year." These factors were: (a) an

expected rise in exports of manufactured products, greater domestic procurement under economic aid programs; (b) an expected continuation of restraining influences on imports of automobiles, petroleum and foodstuffs; (c) an expected drop in direct investments abroad. Another factor could be "a resumption of advancing activity" in the U.S., which could "reduce the margin by which short-term interest rates in leading foreign centers" exceeded those in the U.S. [See p. 8E-F1]

Economic policies.—"New government policies will be needed" to: (a) deal with "an annual increase of 1,400,000 persons in the labor force" that "would raise the number of persons in civilian employment in 1970 to more than 80,000,000, or 20% above the present employment figure"; (b) eliminate "arbitrary impediments" to productivity such as "rules, codes, and practices" that "hinder the introduction of more efficient techniques"; (c) meet the "emerging new regional and area problems" that required a more effective use of local government. The federal government "should expand as broadly as possible the opportunities for private decision-making."

Price stability.—"Rising government expenditures can put a direct upward pressure on costs and prices." "A significantly large budgetary deficit . . . can impair the effectiveness of an anti-inflationary monetary and credit policy." "Forcing interest rates to artificially low levels and keeping them there" was unworkable. "Wage settlements . . . should not preclude price reductions" wherever possible.

Tax policy.—"A selective revision of our tax structure" was needed, but it should not be a "hasty improvisation" "in the hope of countering cyclical downturns in economic activity." "A continuing upward trend in government spending" was foreseen because of increasing benefits to the "aging" veteran population, the many public works projects in construction and the expanding civilian space program.

Unemployment.—Full employment was "the greatest and most complex challenge" and justified "emergency measures" or, if warranted, "temporary budgetary deficits." The problem was to overcome "dislocations incident to technological change, the transition from agriculture to industry, long-term shifts in product demand and industry location, and international competition." The solution was to improve job counseling and placement, strengthen vocational education, eliminate discrimination in the labor market, raise standards of educational achievement, increase the number of competent teachers.

Education.—Enrollment over the next 8 years was expected to rise: in public elementary schools by nearly 2,900,000, or 12%; in secondary schools by 3,800,000, or about 30%; in colleges and universities by 2,300,000, or nearly 60%. This growth would "require a huge expansion of the nation's commitment to education."

Health.—The U.S. "demands for health services will greatly expand."

APPRAISAL OF 'IKE'. 20% of Americans thought Dwight D. Eisenhower would "go down in history" as "a great President," according to a Gallup Poll made public Jan. 17. 45% thought he would be considered a "good," 25% a "fair" and 7% a "poor" President. The Gallup Poll report said that an "overwhelming" proportion of those interviewed "regard Eisenhower's efforts to keep this country out of war as his greatest single accomplishment" as President.

"Health services for needy older people" needed more government, as well as private, aid, and "some improvements will be needed in government programs of social insurance."

Labor.—Minimum wage laws not only aided workers but encouraged "the spread of more efficient production techniques." [See pp. 15E3-16E1]

Last Press Conference. Pres. Eisenhower told reporters at his last Presidential news conference Jan. 18 that "we ought to get a Constitutional amendment to change the time of the inauguration and to give dates for election" so a new President could have "at least 80 days" before he met "his first Congress." He said it seemed "a little bit silly" that "the old President" had to present budget, economic and State-of-the-Union messages that the new President, with "different ideas," had "to start changing."

He also said: "I believe the 2-term Amendment was probably a pretty good thing."

Concerning his proposal for an Executive Management Office, he said: "The job of the First Secretary" would be "to day by day watch what . . . [was] going on in the world—keep everybody in all the several departments aware of what they must do so as to have a completely coordinated policy." [See p. 13B1]

The economy "will be swinging up gradually but steadily. . . ." "I really don't go in very much for the theory that by suddenly expanding 3 or 4 or 5 billion dollars worth of federal programs that you get a tremendous boost," Mr. Eisenhower said. [See p. 12D2]

Son Wins Medal. Lt. Col. John S. D. Eisenhower, the President's son, was given the Legion of Merit in Washington Jan. 19 by Army Secy. Wilbur M. Brucker for "exceptional ability" as an assistant defense liaison officer and as the President's assistant staff secretary. [See Vol. XX, p. 477B3]

Civil Rights

Georgia Negroes Out, Back. A Georgia University riot Jan. 11 resulted Jan. 12 in the suspension of the university's 2 Negro students, Charlayne Alberta Hunter and Hamilton Earl Holmes. But the 2 Negroes won their reinstatement by federal court order Jan. 13, and they returned to class without incident Jan. 16.

The Jan. 11 riot, by about 600 students and some adults, followed the

Senate Committee Chairmen

Aeronautical and Space Sciences—Robert S. Kerr (D., Okla.)
Agriculture and Forestry—Allen J. Ellender (D., La.)
Appropriations—Carl Hayden (D., Ariz.)
Armed Services—Richard B. Russell (D., Ga.)
Banking and Currency—A. Willis Robertson (D., Va.)
District of Columbia—Alan Bible (D., Nev.)
Finance—Harry Flood Byrd (D., Va.)
Foreign Relations—J. W. Fulbright (D., Ark.)
Government Operations—John L. McClellan (D., Ark.)
Interior and Insular Affairs—Clinton P. Anderson (D., N.M.)
Interstate and Foreign Commerce—Warren G. Magnuson (D., Wash.)
Judiciary—James O. Eastland (D., Miss.)
Labor and Public Welfare—Lister Hill (D., Ala.)
Post Office and Civil Service—Olin D. Johnston (D., S.C.)
Public Works—Dennis Chavez (D., N.M.)
Rules and Administration—Mike Mansfield (D., Mont.)
Select Small Business—John J. Sparkman (D., Ala.)

school's defeat in a basketball game. Rioters threw bricks and firecrackers at the dormitory in which Miss Hunter was staying and surged out of control. A handful of Athens police reportedly watched the beginning of the riot without making any serious attempt to restrain it. Fighting broke out later between the students and police, and 16 persons were arrested.

After tear gas had dispersed the rioters, state police arrived. They escorted Miss Hunter from the dormitory, picked up Holmes from the Athens private home in which he had been lodged and drove them to their homes in Atlanta.

The state police had not responded to phone calls for help from university officials and from Athens Mayor Ralph Snow although a state police barracks was about 5 miles away. But Gov. S. Ernest Vandiver denied Jan. 13 that he had hesitated in dispatching the troopers.

13 students were expelled or suspended for participating in the riot. 8 of 16 rioters arrested admitted membership in the Ku Klux Klan, it was reported Jan. 14.

Miss Hunter and Holmes were suspended Jan. 12 by Joseph A. Williams, dean of students, who said he was acting for "their personal safety."

300 of the university's 600 faculty members met later Jan. 12 and adopted a resolution that condemned the riot and insisted that the 2 Negro students "be returned to their classes." The resolution said it regretted that state officials "were unable or unwilling to protect the [students'] rights."

U.S. District Judge William A. Bootle in Macon, Ga. Jan. 13 ordered university officials to reinstate the 2 Negroes. He said their rights were not to be sacrificed to violence. Bootle Jan. 12 had issued a permanent injunction barring Vandiver and other state officials from implementing a state appropriations act's segregation clause denying state funds to integrated schools. [See pp. 7B3-8A1]

FOREIGN

Andorra

Julian Reig Ribo, 49, was elected Dec. 31, 1960 by the Andorran Council

General to succeed Francisco Caira as the Pyrenees republic's president. Caira had held the post since 1936. [See Vol. XIX, p. 346C2]

Bechuanaland

Britain's Commonwealth Relations Office announced Jan. 2 that a new Bechuanaland constitution to come into force in 1961 would establish an Executive Council and a Legislative Council with an elected majority to replace the protectorate's current advisory bodies. The Legislative Council's elected majority was to consist of equal numbers of Africans and Europeans and of one Asian. [See Vol. XX, p. 442G1]

Belgium

Wallonian Socialist union leaders met Jan. 21 in St.-Servais, near Namur, and voted unanimously to end their unions' 33-day walkout against the government's austerity program. A statement issued by Deputy Secy. Gen. André Renard of the General Workers Federation, head of the strike coordinating committee, said the action had been taken despite continuation of the strike by 150,000 workers. (All strikers were reported back at work by Jan. 23.) The Namur meeting called for reorganization of the GWF into a Belgian Trade Union Confederation with autonomous federations for Wallonia, Flanders, and Brabant (Brussels). [See p. 10C3]

Ceylon

Sinhalese replaced English as Ceylon's official language Jan. 10 despite continued protests by Tamil-speaking Hindus and reports that only 66,000 of Ceylon's 200,000 civil servants were capable of working in the language. [See Vol. XVIII, p. 269G1]

Parents and pupils occupied 699 Roman Catholic schools to prevent their reopening Jan. 3 under nationalization laws applied to Ceylon's 2,623 private schools. [See Vol. XX, p. 460D1]

Czechoslovakia

A \$125 million Czech loan was granted Poland Jan. 9 for the development of its copper mines and processing plants. Repayment was to be in copper and copper products.

The Czech CP newspaper Rude Pravo reported Jan. 9 that more than 90% of Eastern Europe's farmland had been collectivized. It cited these figures: Bulgaria 98%, East Germany 96%, Czechoslovakia 86.7%, Albania 83.2%, Rumania 81.3%, Hungary 71.3%, Poland 13.2%. [See Vol. XX, p. 340C2]

The arrests for espionage of Paul Geissler, a Swiss, and Kristina Moikava, a Czech, were reported Jan. 4.

Guinea

Touré Elected. Pres. Sekou Touré, president since Guinea became independent from France in 1958, was elected Jan. 15 for Guinea's first full 7-year presidential term. Touré, unopposed, reportedly won 99.7% of the votes cast. Touré had returned to

Conakry Jan. 14 from visits to North Africa and Europe and 6 days of talks with Yugoslav Pres. Tito. [See Vol. XX, p. 446D3]

Indonesia

8-Year Plan. Pres. Sukarno presided Jan. 1 over Jakarta ceremonies marking the beginning of an 8-year Indonesian development program.

Under the plan, drafted by Prof. Mohammed Yamin for the National Planning Council, 13% of Indonesia's current 236 billion-rupiah annual income would be reinvested in projects to improve industrial and farm production and distribution. Investments were to total 240 billion rupiahs (\$5.3 billion) by 1969. Sukarno appealed to rebels still fighting in Sumatra and the Celebes to surrender and help the program.

The ceremonies were attended by Ali Sastroamidjojo, Nationalist Party leader, Idham Chalid, head of the Orthodox Moslem Scholars (Ulemas) Party, and Secy. Gen. Dipa N. Aldit of the Communist Party.

Land reform regulations promulgated Jan. 1 by Pres. Sukarno and made public Jan. 3 were intended to transfer at least 2 hectares (4.9 acres) of land to each family of Indonesia's landless farm population of 42 million. The regulations imposed land ownership ceilings ranging from 5 to 10 hectares of wet (rice) lands and 6 to 12 hectares of dry lands in densely populated areas and of 15 hectares of wet land and 20 hectares of dry land in sparsely settled areas.

An agreement for the sale of an undisclosed amount of Soviet military equipment to Indonesia was signed in Moscow Jan. 7 by Lt. Gen. Abdul Haris Nasution, Indonesian defense minister, and Soviet First Deputy Premier Anastas I. Mikoyan. Nasution told newsmen on his return to Jakarta Jan. 16 that the arms pact had "doubled our military strength." Indonesian sources reported that the agreement covered the purchase of \$400 million worth of aircraft, submarines and torpedo boats. [See Vol. XX, p. 479C2]

Israel

Zionist Congress. A World Zionist Congress, convened in Jerusalem Dec. 27, 1960, appealed Jan. 8 for the emigration to Israel of Jews living in all other countries, especially Algeria, Tunisia and Morocco. The appeal urged Jews "to come to Israel in their thousands so as to live a full Jewish life and help in the upbuilding of the country."

The Congress, attended by 500 delegates, closed Jan. 11 after reflecting Dr. Nahum Goldmann to a 4-year term as World Zionist Organization president.

Premier Ben-Gurion denied in an AP interview Jan. 1 that he had labelled as "Godless" those Jews, particularly Americans, who chose to remain outside Israel. Citing the text of his Dec. 28, 1960 speech to the Congress (text published Jan. 8 by the N.Y. Times), Ben-Gurion said he only had quoted the Talmudic injunction that "whosoever dwells outside the land of Israel is considered to have no God." [See Vol. XX, p. 479G2]

Vice Pres. Joseph J. Schwartz of the Israel Bond Organization reported in New York Jan. 14 that

\$476,091,750 worth of bonds had been sold since 1951, \$51,965,300 worth in 1960, in the U.S., Latin America and Western Europe. [See Vol. XX, p. 86G2]

Vienna police announced the arrest Jan. 20 of Franz Novak, former SS brigade commander and one of 3 former aides of Adolf Eichmann sought by West German police. [See Vol. XX, p. 460D3]

Jordan

U.S. Aid. The N.Y. Times reported Jan. 8 that Jordan had received \$244½ million worth of U.S. aid in the 10 years ended Dec. 31, 1960. Of the total, \$137,450,000 was said to have been in cash payments to the Jordanian Treasury since 1956 (covering ½ of Jordan's budgetary expenditures), \$13 million in military aid, \$45,275,000 in surplus food grants and sales for local currency, and \$48,775,000 in economic and technical assistance. [See Vol. XX, p. 403D2]

Death sentences passed on Maj. Gen. Sadeq Shara, former Jordanian army deputy commander, and on Rifat Audeh for a 1959 plot against the government were commuted to life imprisonment Jan. 1 by King Hussein. [See Vol. XIX, p. 280C3]

Malaya

Sir Syed Putra, 40, rajah of Perlis State, was installed Jan. 4 in Kuala Lumpur for a 5-year term as Malaya's 3d elected paramount ruler. [See Vol. XX, p. 340A2]

Monaco

Prince Rainier III announced in a radio message Dec. 31, 1960 that Monaco's first National Assembly—to be entirely appointed by himself—would be established to supercede the elected Monaguesque National Council, dissolved in 1959. [See Vol. XIX, p. 39B3]

Nationalist China

Kuomintang candidates won 747 of 929 municipal and provincial council seats in local elections held throughout Formosa Jan. 8. Final returns Jan. 16 showed that 172 seats were won by the Young China Party and Social Democrats but only 10 seats by independents affiliated with the opposition China Democratic Party of Lei Chen, imprisoned Formosa publisher. [See Vol. XX, p. 403C3]

The Nationalist government reported Jan. 15 that Formosa's exports had totaled \$169,866,000 and its imports \$143,231,000 during 1960. It reported Jan. 24 that Formosa's population had reached 10,756,768 in Nov. 1960.

Nepal

King Mahendra Bir Bikram Shah Deva declared Jan. 5 that Nepal's first attempt at democratic government had failed and that he would try to develop the country's political ability through "guided democracy."

Mahendra, who had dismissed Premier B. P. Koirala's government Dec. 15, 1960 in order to resume personal rule, outlined his views in a royal proclamation issued in Katmandu. He envisaged the gradual establishment of democracy in Nepal through creation of a pyramidal system of elected councils on the model of Pakistan. [See Vol. XX, p. 479G3]

Katmandu dispatches reported Jan. 13 that ex-Premier M. P. Koirala, half-brother of B. P. Koirala, had been released from jail in Biratnagar.

Netherlands

Premier Jan E. de Quay Jan. 2 accepted Queen Juliana's request that he withdraw his resignation and remain in office. De Quay's coalition cabinet had resigned Dec. 22, 1960 after its defeat on a Socialist motion censuring its housing program. An amended housing bill was submitted by the cabinet Jan. 2. [See Vol. XIX, p. 163D3]

Oman

Cairo dispatches reported Jan. 3 that the rebel Imam of Oman, Sheikh Ghalib Bin Ali, had dismissed Mohammed el Harithy and Salah bin Issa el Harithy, his chief political aides and directors, respectively, of the Omani rebel offices in Cairo and Damascus. The imam, currently in exile in Saudi Arabia, reportedly fired the Harithys when they objected to his plans to seek negotiations with Britain on settling his 5-year rebellion against the Sultan of Muscat and Oman. [See Vol. XX, pp. 423B3, 280B3]

Somalia

Ethiopian Fighting. Somali government spokesmen said in Mogadishu Jan. 1-2 that 100 Somali tribesmen and 20 Ethiopian soldiers had been killed in fighting begun in the Damot region of eastern Ethiopia when the Ethiopians fired on tribesmen exercising grazing rights guaranteed by a 1956 treaty. An Ethiopian protest charged Jan. 2 that more than 400 Ethiopians had been wounded in attacks started Dec. 26, 1960 by Somali tribesmen in Ethiopia's Harar Province. Ethiopia charged Jan. 3 that 7,000 Somali tribesmen had carried out an attack on the Ethiopian garrison Dec. 28, 1960. Ethiopian planes reportedly strafed Somali villages in the Damot area Jan. 3, wounding at least 43 persons.

Somali mobs demonstrated against Ethiopia and the U.S. in Mogadishu Jan. 2-3, apparently because of U.S. military aid given Ethiopia.

The Italian ANSA news agency reported Jan. 2 that the fighting had begun as foraging raids by Ethiopian troops cut off from their supplies by the recent Addis Ababa revolt. [See Vol. XX, p. 442B1]

United Arab Republic

Draft legislation published Jan. 13 by the Justice Ministry provided increased recognition of women's rights in UAR marriage and divorce laws. Provisions would (a) give women the right to a divorce if their husbands took additional wives (legal limit: 4), (b) end the legality of divorce by simple oral declaration of the husband, and (c) assure divorced women rights to alimony and the custody of their children. [See Vol. XX, p. 126A2]

The UAR, in a statement read to Parliament Jan. 11 by Deputy Foreign Min. Zulficar Sabry, warned that it would resist any efforts by U.S. Pres.-elect Kennedy to carry out his "campaign promises" to Zionists. Sabry assailed Kennedy's announced intention to work for peace between Israel and the Arabs and for the

opening of the Suez Canal to Israeli shipping. [See Vol. XX, p. 390B1]

Agreements for the sale to the UAR of \$4,600,000 worth of farm surpluses were announced by the U.S. Jan. 17.

The recent arrests of 200 Egyptian Communists were reported in a dispatch of the Italian CP newspaper L'Unita reprinted Jan. 20 by Moscow Pravda. The 200 reportedly were sent to desert camps where the UAR was said to hold 800 other Communists. [See Vol. XIX, pp. 99B2, 90C3, 26C3]

West Germany

The West German government announced Jan. 24 that it and Poland had agreed to talks on the resumption of relations between the 2 countries for the first time since World War II. The agreement reportedly was negotiated by Berthold Beitz, general manager of the Krupp industrial combine, who had visited Warsaw Jan. 22-23 to confer with Polish Premier Jozef Cyrankiewicz and who had reported to Chancellor Adenauer on his return to West Germany Jan. 23. [See Vol. XX, pp. 295A2; XIX, 279E1]

A 3d one-year suspension of the Allied order requiring Alfried Krupp to divest himself of the huge Rheinhausen A.G. coal and steel combine was granted Jan. 13 and made public Jan. 16 by the mixed Swiss-West German-Allied committee for supervision of the Krupp sale. 2 previous delays were granted on grounds that no legitimate offer had been made for purchase of Rheinhausen, producer of 13½% of West Germany's steel and 5½% of its coal. Rheinhausen, valued at \$420 million, reportedly constituted 30% to 40% of Krupp's assets. [See Vol. XX, p. 183B3; XIX, 40A1]

Chrmn. Heinrich Hellwege of the rightist German Party resigned his party posts Jan. 15 due to failure of his plans for a merger with the Free Democrats and Refugee Party.

The Waffen SS veterans' Society of Mutual Assistance called on its membership (75,000 claimed) Jan. 22 to protest the alleged defaming of their Nazi service in a documentary film on Nazi Germany currently being shown on West German TV. [See Vol. XIX, p. 164F1]

The 10 West German state governments agreed in Wiesbaden Jan. 13 to make 500 million DM (\$120 million) available for a 5-year interest-free loan to underdeveloped countries through the Frankfurt Credit Institute for Reconstruction.

Yugoslavia

Djilas Freed. Ex-Vice Pres. Milovan Djilas, 49, was released from prison conditionally Jan. 20 after serving 4 years for published criticism of the Tito regime and of Communist authoritarianism. Djilas, a wartime aide of Tito's, had been jailed in Dec. 1956 for denouncing Yugoslav policies toward the Hungarian revolt and had been retried and sentenced to an additional prison term in 1957 following foreign publication of his book, "The New Class," in which he condemned the Communist creation of a governmental tyranny. Djilas was held in Sremska Mitrovica prison, near Belgrade. [See Vol. XVII, p. 324A2]

— LATIN AMERICA —

Argentina

Petrochemical Project. Pres. Arturo Frondizi was revealed Jan. 17 to have signed a decree authorizing immediate construction of a \$70 million 9-plant petrochemical complex at San Lorenzo, about 250 miles northwest of Buenos Aires. The project was to produce synthetic rubber, fuels, and other chemicals. It was to be financed and built by Petroquímica Argentina S.A. (PASA), an Argentine firm owned by these U.S. companies: Cities Service Co., Continental Oil Co., U.S. Rubber Co., Witco Oil Co. and Fish International Oil Corp. [See p. 19A3]

Bolivia

U.S. Aid. U.S. aid to Bolivia in 1961 would total about \$30 million, Foreign Min. Eduardo Arce Quiroga estimated Jan. 23. He said Bolivia would receive: (a) \$10 million for Comibol, the government-owned tin mines; (b) about \$4 million worth of surplus agricultural products; (c) \$14 million for support of its budget. [See Vol. XX, p. 482A2]

(11,000 miners struck at Comibol Jan. 18 in a demand for back wages; they ended the walkout Jan. 21.) [See Vol. XX, p. 214F1]

Private German Loan. Bolivia received a \$3,600,000 credit for mining machinery from the Saltgitter Co. of West Germany Jan. 21. [See Vol. XX, p. 482G1]

U.S. Envoy's Car Bombed. Occupants of a passing truck Jan. 5 hurled dynamite at U.S. Amb. Carl W. Strom's car, which was parked outside La Paz University, where Mrs. Strom was rehearsing with an American chorus. No one was injured. [See Vol. XX, p. 415C1]

Chile

10-Year Economic Plan. A \$10 billion economic development program for 1961-70 was announced by the government Jan. 19. The plan, to be operated by Chile's Development Promotion Corp. (CORFO), was designed to increase agricultural output by 62%, mining about 70% (copper production was expected to be increased from the current 500,000 tons annually to 700,000 tons by 1970), industry 76% and electricity 97%. [See Vol. XX, p. 442F3]

Mine Strike Averted. A threatened strike of 6,500 workers against the Braden Copper Co., a subsidiary of Kennecott Copper Co. near Rancagua, was averted Jan. 9 as the workers ratified agreements providing a 15% raise, a bonus of about \$135 and fringe benefits. Following the agreement, copper prices dropped in world markets. London copper prices fell more than ½¢ a pound. [See Vol. XX, p. 442F3]

Cuba

Castro for Resuming U.S. Tie. Premier Fidel Castro said Jan. 20 that Cuba was ready to "begin anew" its diplomatic relations with the U.S. provided that the U.S. took "action" to improve U.S.-Cuban relations. "We will be glad for a rectification of the United States policy towards Cuba," he said. He saw in the Kennedy Ad-

ministration's assumption of office "a little hope of humanity for peace."

Castro spoke at a Presidential Palace rally of 50,000 armed civilian militiamen who were being demobilized after having been called up to prepare for a "Yankee invasion." He said the U.S. "invasion" threat had ended when the Eisenhower Administration left office. [See pp. 1A1-2C2]

U.S. 'Invaders' Captured. 6 Americans allegedly seeking to join anti-Castro rebels were arrested aboard a yacht in Havana harbor Jan. 7. The government announced the arrests Jan. 19. It said they had sailed from Florida Jan. 6 to join the rebels in Pinar del Rio Province.

The Americans, who reportedly had trained at a Florida camp operated by ex-Cuban Sen. Rolando Masferrer, were identified as Leonard Louis Schmidt, 21, of Chicago, George R. Beck, 24, of Taunton, Mass., Tommy L. Baker, 28, of Dothan, Ala., Donald Joe Green, 28, James B. Beane, 34, of Cedar Falls, N.C. and Eugene Gibson, 32, of Durham, N.C. [See p. 20E1]

Rebel Defeat Reported. The defeat of 2 rebel forces in the Escambray Mountains of Las Villas Province was reported by government sources Jan. 16. The report said militiamen forced rebels out of Santa Clara Jan. 15 and captured 10-12 guerrillas. Government troops reportedly had recaptured Fomento the previous week.

Castro said in Havana Jan. 24 that "more than 20" rebels captured in the Escambray Mountains would be executed for the hanging of Conrado Benitez Garcia, 19, a school teacher in the area. Castro said Benitez had been hanged because he was a Communist. [See p. 20B1]

Executions. 3 ex-Cuban Electric Co. workers, who had been captured while trying to flee to the U.S. in a yacht, were executed by a firing squad in La Cabana fortress in Havana Jan. 18 after being convicted the same day on charges of bombings that caused a partial black-out of Havana. Those executed were William Lex Sante, Julio Casielles Amigo and Orlirio Mendez Perez. A 4th defendant received a 30-year jail sentence.

3 Cubans were executed at La Cabana Jan. 17 and 2 were executed there Jan. 20. The 5 had been convicted of "counter-revolutionary activities."

(A law approved Jan. 5 authorized death sentences for persons convicted of terrorism and sabotage.)

Capt. Clodomiro Miranda and Pvt. Jorge Luis Lastra were executed by a firing squad in Pinar del Rio Province Jan. 24 for participating in a revolt in Babia Honda in Dec. 1960. 7 other soldiers received 30-years jail terms. [See p. 20D1]

Guantanamo Workers Curbed. A Cuban government decree announced Jan. 19 required all of the 3,000-3,500 Cubans working at the U.S. naval base at Guantanamo to obtain Cuban government permits before entering the base. [See p. 19E3]

The government Jan. 19 ordered the Cuban-North American Cultural Institute in Havana seized (on the ground that it was being used for propaganda by the U.S. State Department) and converted into an "Abraham Lincoln Academy" for the teaching of foreign languages.

Dominican Republic

Red Missile Aid Reported. The AP reported Jan. 19 that several East German civilians recently had joined a group of other Europeans (who had been in the Dominican Republic about 2 years) in assisting the Dominican armed forces in secret guided missile tests. The whole group was said to number about 25. (A misfired missile exploded near Pedro Santana Jan. 17, killing 6 persons, mostly soldiers.)

U.S. Curbs Exports. The U.S. Commerce Department, in compliance with a Jan. 4 OAS resolution imposing limited economic sanctions on the Dominican Republic, announced Jan. 19 that, effective Jan. 20, U.S. exporters would need government permission to ship petroleum and petroleum products, trucks and auto parts to the DR. The department said permission generally would be refused. [See p. 8B2]

Mexico

Alert Vs. Cubans. The N.Y. Times reported Jan. 22 that Mexican troops and navy ships had started to patrol the Yucatan Peninsula to thwart any possible use of Mexican territory or territorial waters for military moves by Cubans for or against the Castro regime. Yucatan, less than 100 miles from the southwest tip of Cuba, had served as a training ground for Castro's successful revolutionary forces. [See p. 2G1]

Loan. A loan to Mexico of \$15 million for farm land irrigation was approved by the World Bank Jan. 16. [See Vol. XX, p. 381D1]

Venezuela

Rights Suspended. Pres. Romulo Betancourt Jan. 23 suspended constitutional guarantees of free speech, freedom of assembly and immunity to arbitrary arrest. He said he did so because of plots by Communists, other leftists and Venezuelan military men backed by the Dominican Republic to overthrow his government. A government spokesman said Jan. 24 that followers of ex-Pres. Marcos Pérez Jiménez and the DR's Generalissimo Rafael Leonidas Trujillo Molina were planning subversive opposition to plots of the Movement of the Revolutionary Left and the Communist Party. [See Vol. XX, pp. 443A3, 424G2]

New Constitution. A new constitution replacing the one decreed by the Pérez Jiménez regime in 1953 was promulgated Jan. 23 with the signatures of Betancourt, his cabinet and Congress members. The new constitution provided a strong central government headed by a president elected every 5 years. The president could not succeed himself immediately. [See Vol. XIII, p. 23J]

Oil Concessions Barred. Pres. Romulo Betancourt told a Democratic Action party convention in Caracas Jan. 13 that the government-owned Venezuelan Petroleum Corp. would receive all unassigned oil reserves. Private oil companies, he said, would no longer get such concessions.

ECONOMY

Anti-Trust Cases. The U.S. Justice Department filed in 1960 a record total of more than 90 new criminal and civil anti-trust cases (of which more than 30 were terminated successfully), the department's Anti-Trust Division reported Jan. 2. The total represented an 80% rise over the average number of new cases filed annually since 1940. A record 12 cases, compared with 10 in 1959, opposed mergers and acquisitions.

The government Jan. 6 filed its first "joint venture" suit, in U.S. District Court in Wilmington, Del., against Pennsalt Chemicals Corp. (Philadelphia), Olin Mathieson Chemical Corp. (N.Y.) and their jointly-owned Penn-Olin Chemical Co. (Delaware), which they had created in Feb. 1960 to establish in Calvert City, Ky. a \$6½ million plant to produce and sell sodium chlorate and other chemicals. Olin Mathieson, one of the U.S.' 41 largest industrial firms and a leading customer and seller of sodium chlorate for pulp and paper-bleaching purposes, and Pennsalt, a large chemical manufacturer, were competitors, the complaint charged. Their creation of Penn-Olin, the pooling of resources of the 3 companies and the joint acquisition of Penn-Oil's stock by the parent companies created a monopoly in the production and sale of sodium chlorate and other chemicals, the complaint said.

A federal grand jury in St. Louis, Mo. Jan. 5 indicted 7 firms on charges of conspiracy to lessen competition in the sale of fabricated steel used in the Missouri State Highway Commission's bridge construction projects. Defendants: Stupp Bros. Bridge & Iron Co. (St. Louis), Wilmar Steel Products Co. (St. Louis), St. Joseph (Mo.) Structural Steel Co., Kansas City (Mo.) Structural Steel Co., Missouri Valley

Steel, Inc. (Leavenworth, Kan.), A. J. Industries, Inc. (Los Angeles), Havens Structural Steel Co. (Kansas City, Mo.). More than 87% of the more than \$23 million worth of fabricated steel that the commission had bought for bridge projects Jan. 1954-July 1959 had been bought from or through the defendants. The indictment alleged that the companies divided Missouri into eastern and western territories and rigged bids to allocate business among themselves.

The Justice Department filed in Buffalo, N.Y., Jan. 6 a civil suit charging 6 firms with anti-trust violations in the printing of color comic supplements of U.S. Sunday newspapers. Defendants: Greater Buffalo Press, Inc. (Buffalo) and its subsidiaries International Color Printing Co. (Wilkes Barre, Pa.), Southwest Color Printing Corp. (Lufkin, Tex.) and Dixie Color Printing Corp. (Sylacauga, Ala.); Hearst Corp. (N.Y.); Newspaper Enterprise Association (Cleveland subsidiary of E. W. Scripps Co. of Cincinnati). Eastern Color Printing Co. (Waterbury, Conn.) was named as co-conspirator. [See Vol. XX, pp. 462B3-463C1]

ECONOMIC STATISTICS

(Figures for U.S. unless otherwise indicated. Most rounded figures are estimates.)

	1960	1959
N.Y. Stock Exchange:		
Stock sold (shares) ...	766,696,818	820,296,279
Bonds sold (par value) ...	\$1,346.42	\$1,585.724
American Stock Exchange:		
Stock sold (shares) ...	286,039,982	374,058,546
Bonds sold (par value) ...	\$32.67	\$32.289
Life insurance sold ...	\$73,000	\$70,854
Individual policies ...	\$52,000	\$51,678
Group policies ...	\$14,000	\$12,317
Industrial policies ...	\$7,000	\$6,859
Life insurance held (yr. end) ...	\$585,000	\$542,128
Life insurance benefits paid ...	\$8,045	\$7,549
Life insurance company assets (yr. end) ...	\$119,450	\$113,650
Business failures ...	15,400	14,053
Steel output (tons) ...	99,300,000	99,446,132
Crude oil output (bbl. daily) ...	\$7,000	\$7,054
Liquified petroleum gas sales (gal.) ...	\$9,860	
Natural gas & pipeline gross plant investment (yr. end) ...	\$21,850	\$19,840
Natural gas proved recoverable reserves (yr. end, cu. ft.) ...	\$262,600,000	
Rail certificates issued ...	\$159	\$152
Trucks registered ...	\$11½	

U.S. Automotive Production & Sales

PASSENGER CARS

Builder and Make	1960 Production	1959 Production	1960 Sales	1959 Sales
General Motors Corp.				
Chevrolet	1,614,341	1,349,562	\$1,494,776	1,376,428
Covair	259,247	79,418	235,315	47,356
Pontiac	418,154	388,856	393,674	386,879
Pontiac Tempest	32,052		15,993	
Oldsmobile	362,681	366,305	343,622	361,959
Olds F-85	39,931		19,753	
Buick	271,071	232,579	253,757	242,320
Buick Special	36,733		17,548	
Cadillac	158,941	138,527	\$151,954	133,715
GM total	\$3,193,151	2,555,247	2,932,392	2,548,657
Ford Motor Co.				
Falcon	505,428	100,757	457,046	74,500
Ford	917,087	1,352,112	954,000	1,425,000
Thunderbird	87,218	75,723	81,560	
Comet	198,031		165,736	
Mercury	161,787	156,765	151,319	161,237
Lincoln	20,683	30,375	20,780	29,095
Edsel†		29,677		40,163
Ford total	\$1,890,234	1,745,409	1,750,000	1,729,900
Chrysler Corp.				
Plymouth	252,453	393,213	248,800	392,500
Valiant	231,516	19,991	198,750	
Dodge	362,808	192,798	340,450	172,843
Lancer	48,858		17,500	
DeSoto‡	19,411	41,423	22,779	43,084
Chrysler	87,420	69,411	80,902	65,748
Imperial	16,829	20,963	16,296	18,897
Chrysler total	\$1,019,295	737,799	925,620	701,566
American Motors Corp.*	485,745	401,446	434,704	368,464
Studebaker-Packard Corp.†	\$105,902	153,823	105,070	136,320
U.S. TOTAL	\$6,694,327	5,593,724	6,147,600	5,484,900

TRUCKS

Total\$	920,229	817,438
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CARS AND TRUCKS

Total\$	7,614,556	6,411,162
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	1960	1959
Truck industry earnings	\$100	\$170
Airlines:		
Net profits	\$4	\$61.7
Trunk line revenues	\$1,957.8	
Trunk line expenses	\$1,938.8	
Jet fleet (yr. end)	207	70
Passenger miles	\$21,400	\$22,000
Passengers carried by domestic trunk carriers	\$45.7	\$44.5
Passengers carried by local service	\$5.6	\$5.2
Passengers carried by international & overseas lines	\$5.3	\$4.7
Electronics	\$9,750	\$9,200
Synthetic rubber:		
Output (long tons)	\$1,450,000	1,379,652
Consumption (long tons)	\$1,077,000	1,072,726
Plastics output (lb.)	\$6,158,138	\$5,864,887
Polyethylene (lb.)	\$180	\$98
Textiles:		
Cotton textile output (linear yd.)	\$9,800	
Cotton textile inventories (yr. end, linear yd.)	\$900	\$650
Wool goods output (linear yd.)	\$285	\$311
Silk goods output (sq. yd.)	\$28	\$29
Chemical Industry:		
Sales	\$28,000	\$25,700
Assets (yr. end)	\$24,500	\$23,300
Primary magnesium output (short tons)	39,630	
Lead:		
Output (tons)	225,000	255,600
Consumption (tons)	1,040,000	1,091,000
Zinc consumption (tons)	880,000	956,000
Minerals:		
Total output value	\$17,800	
Metal	\$2,012	\$1,570
Nonmetal	\$15,816	\$15,514
Fuels	\$12,183	\$11,794
U.S. sulphur consumption (tons)	\$6	\$5.925
World sulphur consumption (tons)	\$17½	\$16.8
Paint sales	\$1,800	\$1,700
Lumber output (board ft.)	\$35,500	\$36,900
Plywood output (sq. ft.)	\$8,000	\$7,700
Paper and paperboard:		
Sales	\$12,300	\$12,000
Production (tons)	\$34½	\$34
Exports (tons)	900,000	793,000
Imports (tons)	\$5¼	\$5.559
Woodpulp output (tons)	\$25	\$24.4
Construction	\$55,100	\$56,200
Mobile homes & trailers:		
Shipped	142,000	162,500
Value	\$575.6	\$678.1
Printing sales	\$6,800	
Typewriter sales	\$1.8	1,724,389
Shoes:		
Output (pair)	\$605	\$638.201
Sales	\$4,500	\$4,237
Salt:		
Produced (short tons)	26,676,000	25,160,000
Value	\$169,811,000	\$155,839,000
Alcoholic beverages:		
Sold (gal.)	\$230	225,453,345
Per capita consumption (gal.)	1.28	1.27
Distilled spirits sold	\$5,400	\$5,270
Cigarettes:		
Consumption	\$475,500	
Production	\$512,000	\$490,000
Sales	\$6,600	\$6,100
Cigars:		
Volume	\$7,200	
Per capita consumption	138	
Smoking tobacco sales (lb.)	79,000	

* In millions † Record ‡ Including about \$39 billion worth of private and \$16.1 billion worth of government construction

New Japan Air Routes Barred. Pres. Eisenhower Jan. 19 rejected for "foreign policy considerations" a CAB recommendation to allow additional trans-Pacific airline flights from eastern U.S. cities to Japan. Northwest Airlines, the only line with a cross-U.S. route to Japan, had sought to increase its service, and Pan Ameri-

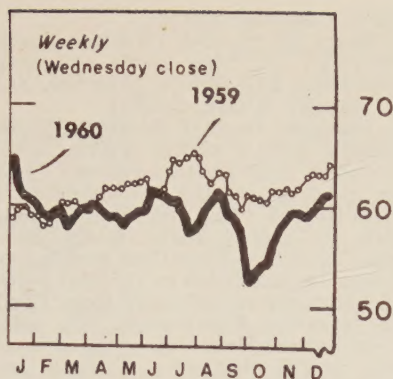
* Rambler & Rambler Ambassador † Studebaker, Hawk, Lark ‡ All makes † Discontinued * 47.7% of industry total ‡ 28.2% of industry total † 15.2% of industry total ‡ 7.3% of industry total † 1.6% of industry total ‡ Compact car total was more than 1,900,000, 29% of industry total ‡ Record

can World Airways had requested permission to start some of its flights to the Far East from New York. The CAB had indorsed both proposals, but Mr. Eisenhower held that the new competition would "unsettle our international relations—particularly with Japan." [See Vol. XVIII, p. 38G1-B2]

Small Commercial A-Plant. The Marquardt Corp. of Los Angeles announced Jan. 23 that it had designed a commercial nuclear generating plant for use in 5,000-20,000-kw. power stations. The initial cost would be \$7-270,000, compared with \$6,200,000 for a comparable steam plant. Operating cost: 5.7 mills per kwh., compared with 7 mills. The small reactor would use a chemical, diphenyl, instead of water for cooling. The firm asked the AEC for financial aid to build a working model within 3 years. [See Vol. XX, p. 450E3]

Bank for Development. Stanley de J. Osborne, president of Olin Mathieson Chemical Corp., proposed Jan. 12 at a New York luncheon of the African Affairs Society of America that economic aid to underdeveloped countries of Latin America, Asia and Africa be extended by creating (1) a World Development Organization to "harness the West's educational and technical resources" as well as its financial resources and (2) a subsidiary organization, an International Guaranty Bank, financed by private business and industry, to supplement the work of the World Bank. [See Vol. XX, p. 430F2]

3 Indicted in SEC Case. A federal grand jury in Washington Jan. 18 indicted ex-SEC legal assistant John George Ledes (who had resigned Sept.



1960 STOCK PRICES. The Standard & Poor's index of prices of 500 stocks opened in 1960 at 59.77 (based on 1941-43=10) and closed the year at 57.78. Standard & Poor's index of 425 industrial stocks opened 1960 at 64.38 and closed the year at 61.18.

The Commerce Department graph contrasts the weekly movement of the Standard & Poor's industrial index during 1959 and 1960. [See Vol. XX, p. 341C3]

28, 1958) and 2 businessmen, Charles Gordon and Joseph Abrams, on charges that Gordon and Abrams had paid Ledes more than \$60,000 between 1957 and 1958 for improper SEC aid to these firms controlled by Gordon and Abrams: Sports Arenas, Inc. (Delaware), Bellanca Corp. (New Castle, Del.), Directomat (N.Y.) and the Florida National Development Corp. (Miami).

(Abrams currently was serving a 30-month term in the federal penitentiary in Danbury, Conn. following a June 1957 conviction on charges of defrauding the government in connection with a fabric garment company contract.)

RELIGION

Canterbury to Retire. The Most Rev. Dr. Geoffrey Francis Fisher, 73 announced in a statement to the Anglican Church's Convocation of Canterbury in London Jan. 17 that he planned to retire May 31 as archbishop of Canterbury and primate of the Church of England. The prime minister's office announced simultaneously that Fisher would become a life peer and continue to be a member of the House of Lords.

The Most Rev. Dr. Arthur Michael Ramsey, 56, archbishop of York, was nominated by Queen Elizabeth II Jan. 19 to succeed Fisher. The York post, the Anglican Church's 2d highest, was to be filled by the Most Rev. Dr. Frederick Donald Coggan, 51, bishop of Bradford.

(Fisher Jan. 10 called the words "Catholic" and "Protestant" "out of date" and without meaning. Speaking at the ceremony commissioning the Rev. Donald Macleod Lynch as chief secretary of the Anglican Church Army, he reiterated his hope for information exchanges between the Roman Catholic and Anglican churches and for the ultimate ecumenical union of all Christian churches.) [See Vol. XX, p. 451D2]

Zionism End Urged. The dissolution of the U.S. Zionist movement was urged Jan. 15 by Dr. Joachim Prinz, president of the American Jewish Congress and pro-Zionist rabbi of Newark, N.J. Addressing the Congress' governing council, meeting in Philadelphia, Prinz backed the creation of a new movement, as proposed by Israeli Prime Min. David Ben-Gurion, to create closer ties between Jews in the U.S. and those of Israel and other free countries. [See Vol. XX, p. 479G2-A3]



Business & Financial Summary

Week Ended Jan. 21

FINANCE:

U.S. Treasury—

Monetary gold stocks \$17,594
Currency circulation \$32,287

Federal Reserve System—

Reserves \$17,208,086
Govt. securities \$26,911,585
Note circulation \$27,956,287
Discounts & advances \$66,205
Reserve ratio 37.7%

Banks—

Com'l & ind'l loans\$ \$31,679
Agricultural loans\$ \$1,097

N.Y. Stock Exchange—

Stock sales (shares) 20,734,470
Stock avgs. (100 shares)** 237.78
Bond sales (par value) \$33,298,000
Bond avgs. (30 bonds)** 86.23

INDUSTRY:

Auto output (cars & trucks)† 118,044
Crude oil (bbl. daily) 7,150,760
Soft-coal output (tons) 6,960,000
Electric output (kwh.) 14,684
Carloadings (cars) 516,210

Ind'l output\$ 103
Steel output (tons) 5,839,841

PRICES:

Wheat (bu.) \$2.44½
Corn (bu.) \$1.41½
Cotton (lb.) \$32¼
Steel scrap avg. (ton)† \$31.50
Wholesale food index† \$6.15
Weekly whsl. index (BLS)¶ 119.8

BUSINESS:

Dept. stores sales§ \$129
Failures (Jan. 12)† 335
Foreign Trade (Census Bur.)—
Exports \$1,796.0
Imports \$1,160.8

This Week

\$17,594
\$32,287

Jan. 18

\$17,208,086
\$26,911,585
\$27,956,287
\$66,205
37.7%

This Week

\$31,679
\$1,097

Dec. 1960

20,734,470
237.78
\$33,298,000
86.23

Last Week

\$17,629
\$32,637

Jan. 11

\$17,317,139
\$27,003,785
\$28,184,732
\$69,125
38.0%

Last Week

\$31,793
\$1,094

Nov. 1960

22,227,180
235.82
\$35,273,100
86.40

Year Ago

\$19,455
\$31,910

Jan. 20, 1960

\$19,164,671
\$25,511,207
\$27,743,447
\$773,169
40.7%

Year Ago

\$30,114
\$901

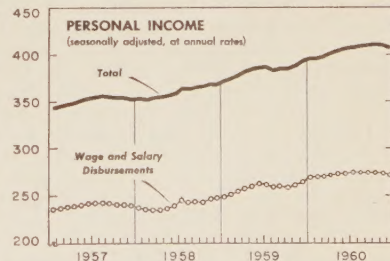
Dec. 1959

14,219,090
232.70
\$27,316,000
84.01

Personal Income Peak. U.S. personal incomes dropped from a (revised) seasonally-adjusted annual rate of \$409 billion in Nov. 1960 to a \$406.7 billion rate in December, but total 1960 personal incomes still reached a record

\$404.2 billion, the Commerce Department reported Jan. 18. Factory wage and salary income dropped from an annual rate of \$86.2 billion in Nov. 1960 to an \$84.6 billion rate in December, the lowest since Nov. 1959. Income from dividend payments dropped for the first time in 1960 to a \$14 billion rate in December, down \$100 million from the November rate. Social insurance benefits rose to a record rate of \$30.8 billion (mostly from higher Social Security payments), up \$300 million from the November rate. The Commerce Department graph contrasts monthly wage and salary rates (in billions of dollars) with total personal income in the years 1957-60. [See Vol. XX, pp. 22F2, 35A2, 472F1]

Electric Capacity Up. Capacity of U.S. electric utility generating plants rose to 175 million kilowatts in 1960, up 7% from 1959 capacity, the Edison Electric Institute reported Jan. 22. 82 thermal units were completed in 1960. These included 2 that were atomic-powered: Commonwealth Edison Co.'s 180,000-kw. Dresden plant and Yankee Atomic Electric Co.'s 136,000 kw. Rowe (Mass.) plant. [See Vol. XX, p. 284B1; XIX, 332C3]



*In Millions **N.Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet
§1947-49=100 §Federal Reserve Board ¶Member banks, 107 cities, Jan. 4
¶Jan. 14 ¶Jan. 7 ¶Jan. 17 ¶1957=100 ¶Iron Age

Methodist Membership Up. The Rev. Dr. Allen B. Rice of Philadelphia reported to the Methodist Board of Missions Jan. 17 that U.S. Methodist Church membership had risen 11% in the past decade. Specific areas showing growth during the period: Alaska, from 945 to 3,136 (the 232% rise compared with a 74% population increase during the period); Hawaii, from 3,412 to 4,644; Puerto Rico, 3,450 to 8,436. (The Methodist Board of Missions Jan. 20 appropriated a record \$23,583,419 for missions in the U.S. and abroad.) [See Vol. XX, p. 175C3]

EDUCATION

School Enrollment Up. Enrollments in U.S. schools and colleges rose from 30,276,000 in Oct. 1950 to a record 46,259,000 (including 250,000 from Alaska and Hawaii) in Oct. 1960, according to a Census Bureau survey made public Jan. 18.

Elementary school enrollments rose from 20,504,000 to 30,349,000 during the period; high school, from 6,656,000 to 10,249,000; college, university and professional school, from 2,214,000 to 3,570,000. 56.4% of the total civilian non-institutional population between 5 and 34 attended school in Oct. 1960, compared with 50.8% in Oct. 1955. The highest proportion of school attendance—99.5%—was in the 7-13 group; in this group, enrollments rose from 21,028,000 in 1955 to 25,621,000 in 1960. Attendance in the 18-19 group rose from 31.5% of the population (1,232,000 enrollments) to 38.4% (1,817,000); in the 25-29 group, the increase was from 4.2% (475,000) to 4.9% (514,000); 30-34, from 1.6% (192,000) to 2.4% (278,000). [See Vol. XX, pp. 486B2, 222G3-223B1, 22G2]

A National Council of Independent Schools survey of 348 member schools, made public Jan. 8, showed that U.S. private school enrollments for the 1960-61 academic year totaled 115,269. There was a 2.27% increase over 1959-60 enrollments.

Public School Outlay. U.S. public school expenditures in 1960, up nearly 8%, totaled \$16,476,135,000, the N.Y. Times reported Jan. 9. Local sources provided \$8,320,140,000, state \$5,931,466,000 and federal \$527,366,000. [See Vol. XX, p. 222G3-223B1]

Book Output Up. U.S. production of books (excluding government publications, subscription books and pamphlets with fewer than 49 pages) rose from 14,876 titles in 1959 to 15,012 in 1960, Publisher's Weekly reported in its Jan. 16 issue. Publication of children's books rose from 1,647 in 1959 to 1,725 in 1960, publication of fiction books from 2,437 to 2,440. In 1960 books on the Civil War or on Abraham Lincoln and the Civil War totaled 100, textbooks 1,706, translations into English 1,035. Book imports (those manufactured abroad with exclusive distribution in the U.S.) rose to 2,158 in 1960. [See Vol. XII, p. 27K-L]

OBITUARIES

(Additional obituaries are published in an Appendix to the Facts on File Cumulative Index)

Dr. Gaetano Azzariti, 79, president of Italy's High Constitutional Court since 1957 and justice since 1955, post-World War II justice minister who abolished death sentence and ordered release of political prisoners; Jan. 5 in Rome of pneumonia.

Emily Greene Balch, 95, Quaker pacifist leader (since 1915) who won Nobel Peace Prize in 1946 (with late Dr. John L. Mott) and donated her \$17,000 share to Women's International League for Peace and Freedom; Jan.

10 in Cambridge, Mass.

Barry Fitzgerald (William Joseph Shields), 72, Irish movie and stage star; Jan. 4 in Dublin. [See Vol. XIX, p. 446E2; XVIII, 224F3]

(Samuel) Dashiell Hammett, 66, detective fiction author whose novels included "The Maltese Falcon" (1930, in which he created famous detective Sam Spade), "The Thin Man" (1932); Jan. 10 in New York. As trustee of the Communist-front Civil Rights Congress, he was jailed in 1951 for refusing to name contributors to bail fund for arrested Red leaders. His books were banned from U.S. overseas libraries in 1953 but were restored later in 1953 on Pres. Eisenhower's disapproval of the ban. [See Vols. XII, p. 224F3; XI, 398C]

Henry Morton Robinson, 62, author of best-selling novels "The Cardinal" (1950) and "Water of Life" (1959), poet; Jan. 13 in New York of septicemia resulting from burns suffered Dec. 23, 1960 in the bathtub. [See Vol. X, p. 256N]

Hussein Sirry Pasha, 68, premier of Egypt 3 times between 1940 & 1952, former public works minister, war minister, finance & communications minister, foreign affairs minister; Jan. 6 in Cairo. [See Vol. XII, p. 211A]

Ernest Thesiger, 82, British actor; Jan. 14 in London.

SPORTS

Baseball. Leo Durocher, 54, signed as a coach for the Los Angeles Dodgers Jan. 9. [See Vol. XIX, p. 379D1] . . . Cleveland manager Frank Lane, 65, was named the Kansas City Athletics' general manager and executive vice president Jan. 3. He replaced Parke Carroll. [See Vol. XX, p. 99F2] . . . N. Y. Yankee outfielder Mickey Mantle, 29, signed a \$75,000 contract (\$10,000 more than he received in 1960) Jan. 16. He became the highest paid American League player. [See Vol. XX, pp. 363F3, 352F3]

Basketball. The Western Division defeated the Eastern Division, 153-131, in the National Basketball Association's all-star game in Syracuse, N.Y. Jan. 17. [See Vol. XX, p. 36D1]

Jack McMahon, 31, was appointed coach of the Kansas City Steers of the American Basketball League Jan. 17. [See Vol. XX, p. 144C1]

Chess. Bobby Fischer, 17, clinched his 4th consecutive U.S. championship in New York Jan. 2 by drawing with Hungarian grandmaster Pal Benko. [See Vol. XX, p. 136C2]

Track & Field. World indoor records set at a track meet in Los Angeles Jan. 22: women's 60-yard dash, 6.9 seconds, by Wilma Rudolph, 20, of Clarksville, Tenn.; broadjump, 25 feet 10 inches, by Ralph Boston; shotput, 63 feet 1½ inches, by Parry O'Brien. [See Vol. XX, pp. 487F3, 300D2, 120B2, 84B1]

MISCELLANEOUS

28 Die in Atlantic Radar Tower. A U.S. Air Force "Texas tower" radar station, housing 14 airmen of the 4604th Squadron and 14 civilian work-

ers repairing damage to the tower caused by Hurricane Donna in Sept. 1960, collapsed and sank in an Atlantic storm 105 miles off the New Jersey coast Jan. 15. None survived.

3 Die in A-Reactor Blast. 3 military technicians were killed when an atomic reactor exploded at the National Reactor Testing Station in Idaho Falls, Ida. Jan. 3. Atomic Energy Commissioner John A. McCone said the resultant escape of radioactivity was "largely confined in the reactor building." The AEC reported Jan. 19 that the blast was caused by escaping radioactive neutrons that had come in contact with gold and copper objects, converting the metals into radioactive forms. [See Vol. XX, p. 196E2]

43 Moroccan Jews Drown. A 27-ton motor yacht, the Price, en route from Melilla, Morocco to Gibraltar, sank in a Mediterranean storm off Alhucemas Bay, Spanish Morocco Jan. 11. 43 Moroccan Jews, reportedly on their way to board an Israel-bound ship in Gibraltar, drowned. The yacht's captain and 2 crewmen survived.

Persian Gulf Deaths. 88 Iranians drowned when a motor launch en route from Iran to Kuwait caught fire and sank in the Persian Gulf, the Middle East news agency reported Jan. 7. [See Vol. XX, p. 472C2]

U.S.S. Saratoga Fire. 4 naval officers and 3 sailors were killed and 23 injured in a fire aboard the U.S. aircraft carrier Saratoga in the Ionian Sea about 140 miles southwest of Athens Jan. 23. The blaze was caused by a broken fuel oil line in a machinery compartment below decks. [See Vol. XX, p. 464G1]

Air Crashes. A Mexican government Aeronaes Airlines DC-8 jet, en route from New York to Mexico City, crashed and exploded on takeoff from New York's International (Idlewild) Airport Jan. 19. 4 crewmen were killed. 98 passengers survived.

A U.S. Navy Constellation, on a Pacific Barrier patrol mission, crashed while landing on Midway Island Jan. 22. 6 airmen and 3 ground crew members were killed. 16 others aboard the plane survived. [See p. 20F3]

Spanish Train Collision. 2 trains collided at a rail junction near Barcelona, Spain Jan. 9. At least 25 persons were killed. [See Vol. XX, p. 405D3]

Jack Sentenced. Manhattan Borough Pres. Hulan E. Jack, 55, convicted Dec. 6, 1960 of charges of conflict of interest and conspiracy to obstruct justice, received a one-year suspended prison sentence in New York Jan. 16. The sentencing meant that Jack automatically lost his \$25,000-a-year post. [See Vol. XX, p. 444D3]

Konrad Adenauer was 85 Jan. 4. . . . Carl Sandburg was 83 Jan. 6. . . . Dr. Albert Schweitzer was 86 Jan. 14.

DIVORCED

Marilyn Monroe, from playwright Arthur Miller; Jan. 24 in Juarez, Mexico. [See Vol. XVI, p. 224F3]

Joan Fontaine, from Collier Young, film producer; Jan. 3 in Los Angeles. [See Vol. XII, p. 368P]